

I. Introduction

Over the past several years, tens of thousands of U.S. consumers have complained about fraud related to the sale of non-existent puppies and other pets. Consumers see online ads listing puppies for sale and contact the listed sellers to inquire and ultimately purchase a puppy. Consumers who send an initial payment for the puppy (often around \$300) receive additional requests, either from the seller or from a purported shipper, for more money for unforeseen expenses.

These victims never receive any puppies. While victims believe they are sending payments to the seller or shipper of their puppies, in reality they are paying scammers in Cameroon or the scammers' U.S. agents. These scammers bilk victims for as many payments as they can get, in some cases defrauding victims of thousands of dollars.

This memo provides an analysis of Consumer Sentinel complaints related to puppy scams, including patterns, geographic nexuses, possible cells of fraudsters, and other notable trends in consumer complaints.

II. Background

The following table shows July 10, 2014, Sentinel search results for the respective terms based on all-to-date fraud complaints:

All-To-Date Sentinel Search Results (conducted July 10, 2014) ¹	
Term	Results
pet or pets	36,212
puppy or puppies	37,452
kitten or kittens	2,046
parrot or parrots	1,598

A. Consumer Experience

The scam begins with a consumer looking to purchase a puppy online. Consumers look at listings on general classifieds websites like Oodle (a website similar to Craigslist but with the option to link listings with Facebook accounts)² and dog-specific classifieds websites like DogsNow.com.³ Often, consumers make their way to scammer-created websites like angelfacepomeranians.net.⁴

The listing advertising the puppy generally consists of a photo, a brief description of the puppy, and the seller's e-mail address or cell phone number. The listing's brief description about the puppy often describes the puppy's temperament. The description also notes a price, which tends to be around \$300. The following pages show two examples of the typical listings.

¹ This method somewhat overstates the number of complaints related to this scam in two ways. First, this method includes all complaints that refer to the search terms, even those that are unrelated to this scam. For example, one complaint makes mention of a photo on Facebook of a braggart holding a dead puppy. Second, these searches count twice any complaint that includes both the singular and the plural of the search term. Without double-counting, there are about 33,000 complaints related to puppy or puppies. Approximately 86% of results for the last three years – based on a Sentinel's default results for a one-month sample per year – are related to the current puppy scam or one of its earlier variations.

² See Sentinel Reference (hereafter "SR") #54624536.

³ See SR #54578437.

⁴ See SR #54622300.

Oodle Posting Likely From Fraudulent Seller

(b)(6)

Lives in Cicero, IL • [View My Profile](#)

You have no shared connections.
2 Listings • Joined: Jun 26, 2014

AKC Champion English Bulldog

\$400



Share



Price: \$400

Location: Cicero, IL

Description:

AKC Champion English Bulldog. 4 Moree Lovely Piccs Pfs Tex Us @
(b)(6)

Breed: Bulldog

Category: Dogs

Details: Puppy

Posted: June 26 on Facebook



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Let me know if
you have any questions. -

(b)(6)

Ask a question or leave a
comment...

Similar Listings



[View All Listings](#)



Important Safety Tips

- Meet the seller and pet in person
- Don't wire money or take advance payments.
- Only pay for shipping if you know the seller.

To learn more, visit the Safety Center or [click here to report this listing.](#)

Oodle Posting Likely From Fraudulent Seller

Dogs >> USA >> IL >> Chicagoland - Reliable English Bullog Puppies | Female in Chicago IL | (b)(6)



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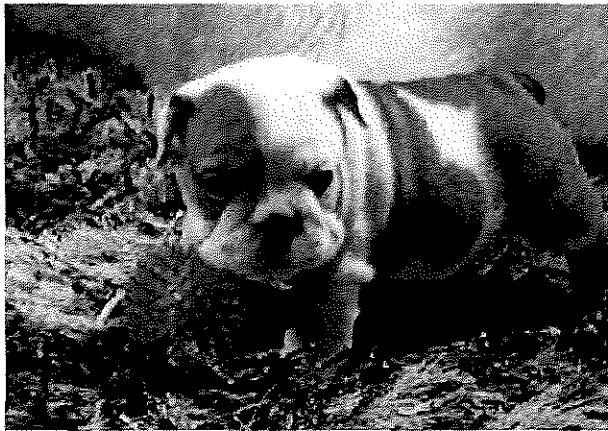
Lives in Chicago, IL - View My Profile

You have no shared connections.

1 Listing - Joined: Jun 26, 2014

Reliable English Bullog Puppies

\$300



Share



Like this listing

Why?: For Sale

Price: \$300

Location: Chicago, IL

Description:

Say hello to Cowboy! He is such a handsome guy and such a sweetie. He loves to give puppy kisses and would love to find a best friend. Cowboy will soon be looking for his forever home. He will arrive vet checked and up to date on his vaccinations, so that he is happy and healthy Text me with your email addresses at

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Category: Dogs

Details: Young

Sex: Female

Posted: June 26 on Facebook

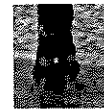
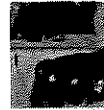
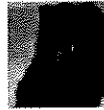


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Let me know if you have any questions. (b)(6)

Ask a question or leave a comment...

Similar Listings



[View All Listings](#)



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To learn more, visit the Safety Center or click here to report this listing.

Consumers viewing these listings often cannot see that they are fraudulent, which becomes apparent only on detailed investigation. For example, the photographs used in the listings show puppies. Consumers would not know that the photos are taken from previous listings for real puppies marketed by legitimate sellers, a fact that is revealed by a reverse Google image search for the photograph.⁵ A consumer also would not necessarily notice that the listed price of just a few hundred dollars is hundreds – if not thousands – of dollars cheaper than the market rate for some of the listed breeds, most notably English Bulldogs and Yorkshire Terriers (also known as Yorkies). Finally, the listed cell phone numbers all correspond to the location listed by the seller but typically are VoIP numbers, possibly suggesting that these puppies are being marketed from a different location than the listing states.

Once the consumer selects a specific puppy he or she contacts the seller either by e-mail or text message. The seller then responds, typically explaining why he or she is selling or giving away the puppy. Often, the explanation is a death in the family⁶ or relocation due to work.⁷ Other times the consumer believes that the seller is simply a breeder or regular seller because the seller either lists him or herself as such or the communication between the seller and consumer suggests it.⁸ Some sellers even require consumers to answer a questionnaire about the consumer's means/ability to own a puppy, which often makes the consumer believe that he or she is working with a legitimate seller who cares about the well-being of the puppy.⁹ These factors convince consumers that they are working with a legitimate seller and will ultimately receive a puppy at the end of the transaction.

⁵ See SR #54625660.

⁶ See SR #54625660.

⁷ See SR #54625869; this record also includes mention of the same seller advertising chimpanzees.

⁸ See SR #54624344.

⁹ See SR #54578426; see also SR #54622860.

Next, the consumer sends the initial payment that covers either the cost of the puppy or, if the puppy was marketed as free, the cost of shipment. Following this, the consumer is contacted by a third party (e.g., a shipping agency that the seller is allegedly using, the airport through which the puppy is being shipped, or a government agency handling the import/export of pets). Consumers who remain unaware of the fraud continue to pay large amounts of money. The shipping agency requests funds for various fees, including for a special or climate-controlled crate,¹⁰ refundable pet-transit or liability insurance,¹¹ or special permits.¹²

If the consumer declines or refuses to send additional funds, the scammer occasionally threatens the consumer that he or she will face fines or criminal charges for animal abandonment.¹³ Some consumers unsuccessfully ask for a refund from the scammer,¹⁴ while others unsuccessfully complain to the money transfer service.¹⁵ Others eventually realize that they were defrauded and pursue no further action.¹⁶

B. General Scope and Duration

Based on Sentinel complaints, the puppy scam described above began to appear in March 2012. Prior to this, though, the scam existed in other forms. The initial form, circa 2006, had a single subject handle both the sale and shipping of the puppy.¹⁷ The scam evolved over time, and variations have included: (1) consumers receiving bad checks for more than the agreed upon amount, with the excess funds to be sent to some third party,¹⁸ and (2) FBI impostors contacting

¹⁰ See SR #54623113; see also SR #54624175.

¹¹ See SR #54624175.

¹² See SR #54622300.

¹³ See SR #54619016.

¹⁴ See SR #54496645.

¹⁵ See SR #54617946.

¹⁶ See SR #54309534.

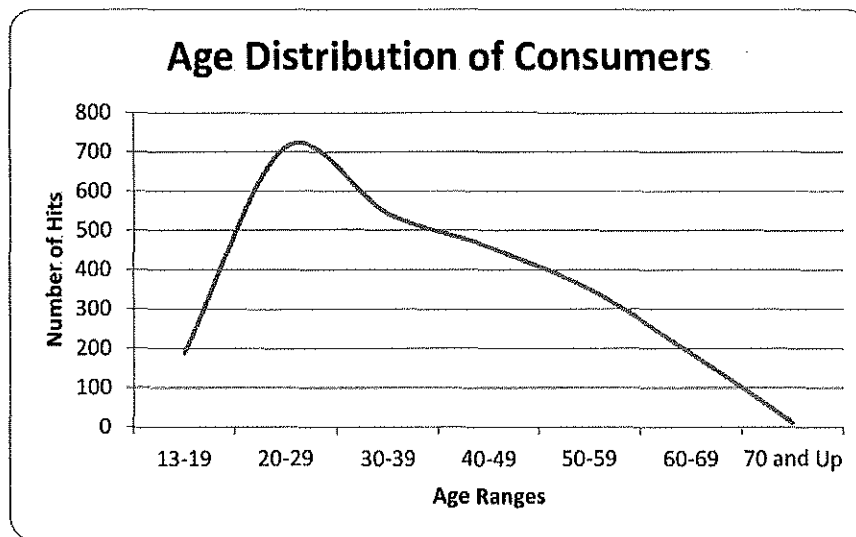
¹⁷ See, e.g., SR #8348310.

¹⁸ See, e.g., SR #12136547, consumer selling puppies and received excess funds.

consumers for redress regarding an earlier puppy scam.¹⁹ Even so, there have been about 10,000 complaints related to puppies since the scam took its present form in about March 2012.

C. Common Patterns and Trends

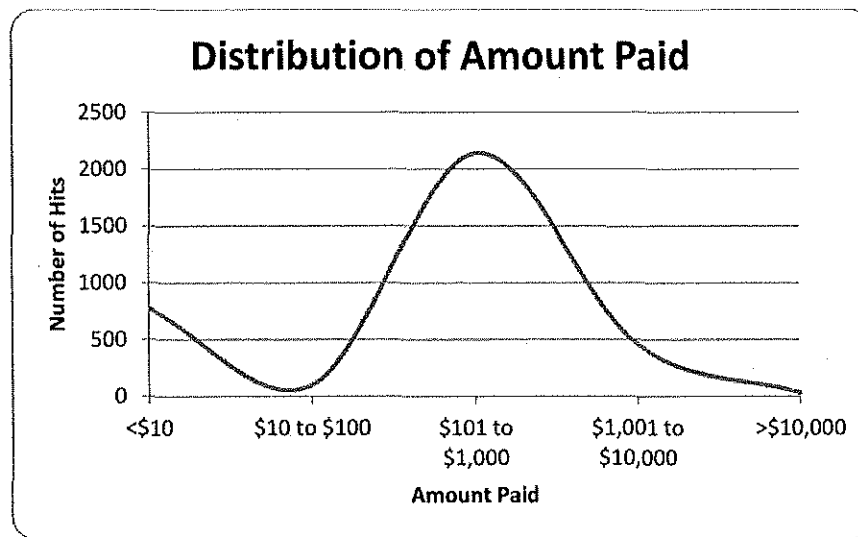
Age: Consumers of all ages complain about puppy scams.²⁰ Based on the last year of complaints, consumers in their twenties and thirties are most likely to complain about puppy scams, perhaps because younger consumers are more likely to look to online listings when purchasing a puppy.



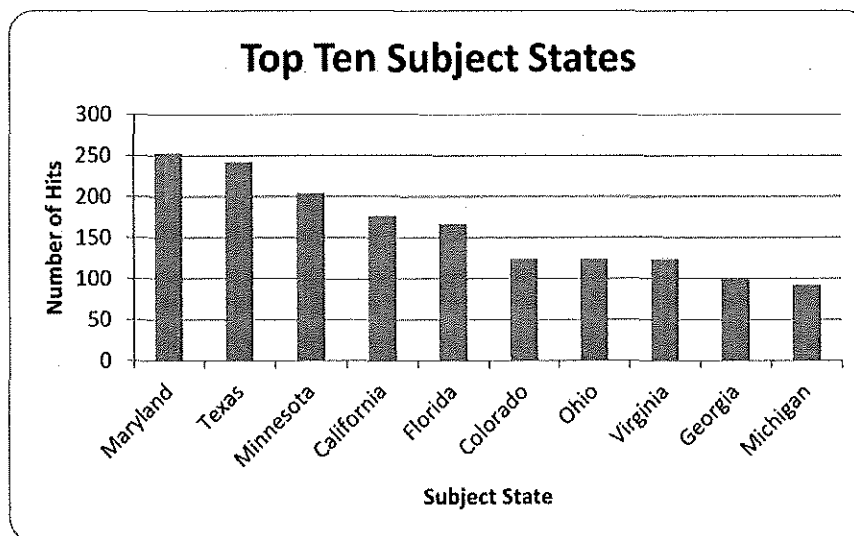
Amount Paid: The vast majority of consumers paid puppy scammers between \$101 and \$1,000, as shown by the graph below. The distribution is heavily centered in this range, although there is a sizeable number of hits for losses less than \$10. This is likely due to Sentinel either (1) including consumers who recognized the ad as a scam and did not pay any money or (2) capturing complaints related to puppies but unrelated to this specific scam.

¹⁹ See, e.g., SR #21177886.

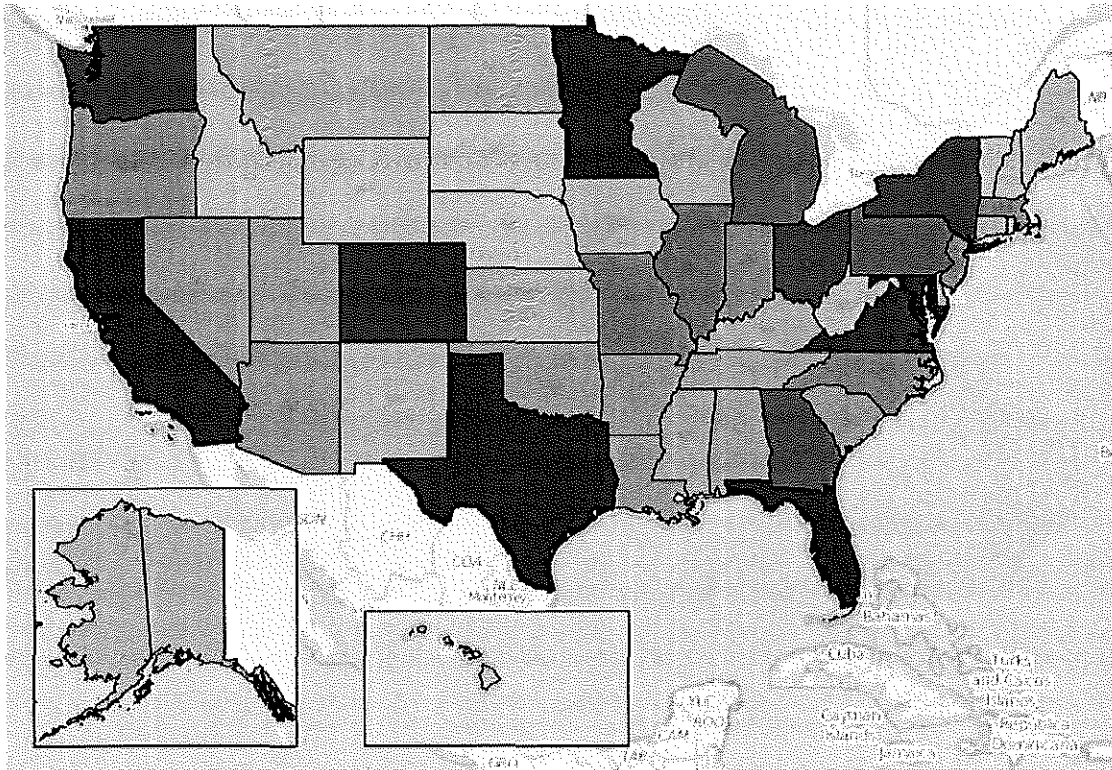
²⁰ See SR #54634289 (a teenage victim); SR #54616301 (a young-adult victim); SR #54625713 (a middle-aged victim); and SR #54620679 (an elderly victim).



Subject Location: The subjects of consumer complaints are located all across the United States. As shown below, the top ten subject states have between 100 and 250 complaints each. Even taking into account population differences, some smaller states have a significant number of subjects, most notably Maryland and Minnesota.

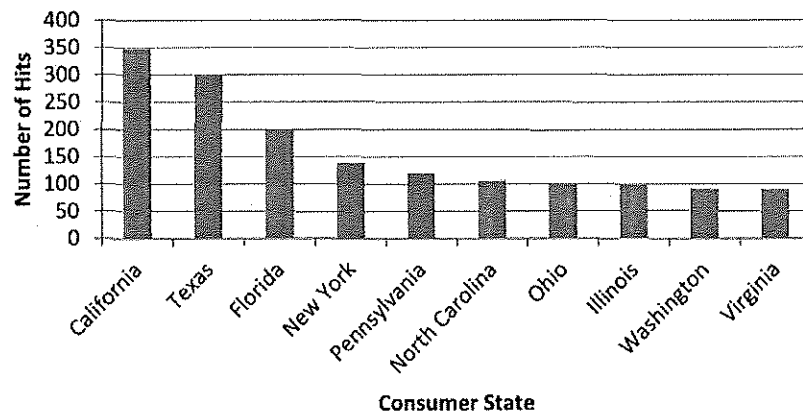


Subject Heat Map

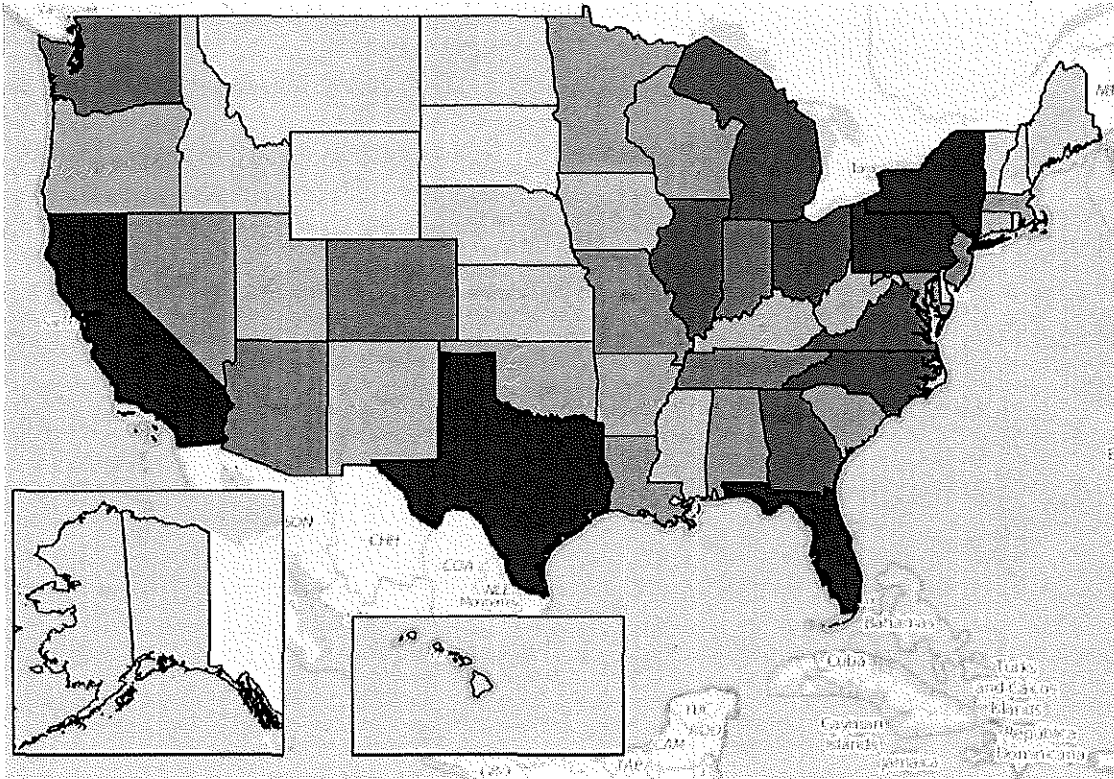


Consumer Location: Puppy scammers do not appear to be targeting consumers in any particular state, as the more populous states appear to have more defrauded consumers.

Top Ten Consumer States



Consumer Heat Map



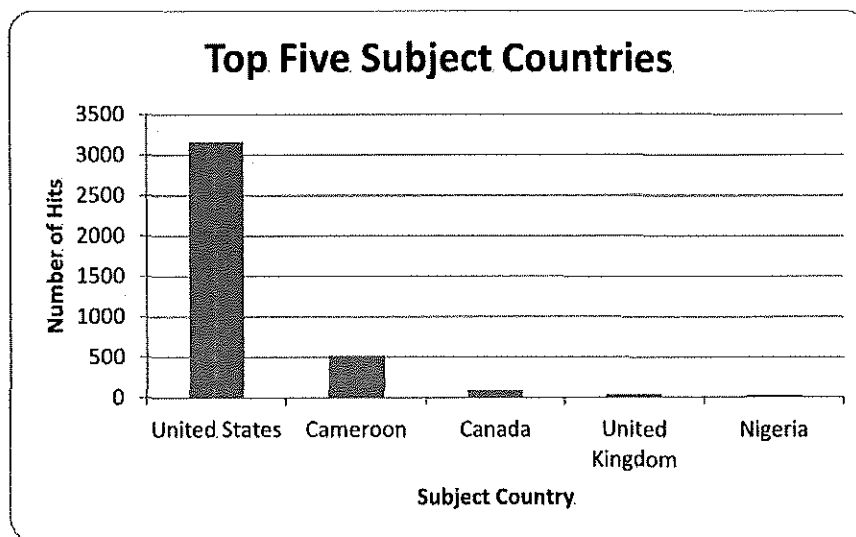
D. Cameroon

A considerable number of complaints involve Cameroon. Mentions usually involve consumers sending money by wire transfer to either a seller or shipper or similar entity based out of Cameroon.²¹ Based on past FTC experience with international wire transfers and West African countries, it is likely that the puppy scam originates in Cameroon and any American-based subject is a middleman working for Cameroonian fraudsters. A 2010 article written by Cameroonian academics suggests that Cameroonians themselves may be communicating with

²¹ See, e.g., SR# 54339845.

consumers.²² Thus, while consumers may deal directly with Cameroonians or U.S.-based middlemen, the funds likely end up in Cameroon.²³

A broader review of the complaints further shows a **Cameroonian connection to this scam.** Cameroon trails only the U.S. as the most common location for subjects of puppy scam complaints.

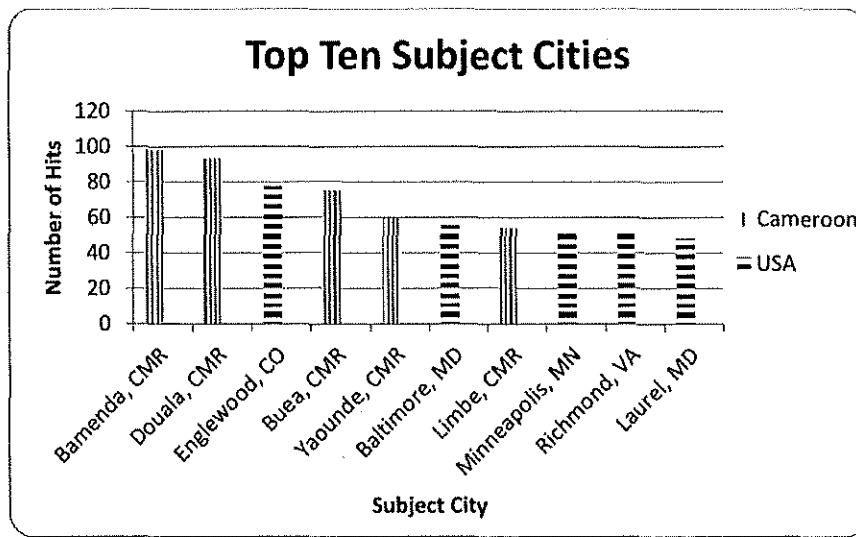


Cameroon's involvement is even more apparent when looking at the top ten subject cities, five of which are Cameroonian cities. The two top subject cities are both in Cameroon, as are five of the top ten.²⁴

²² W.A. Abia, et al., *Cameroonian Youths, Their Attractions to Scamming and Strategies to Divert Attention*, 5 (5) Int'l NGO Journal 110, 110-112 (2010), academicjournals.org/article/article1381826121_Abia%20et%20al.pdf.

²³ Based on the information provided by a Minnesota-based Immigration & Customs Enforcement ("ICE") agent, the puppy scam is rooted in Cameroon. Domestic scammers operate in nests across the United States, and once they receive consumer funds, they send the money to Cameroon, minus their cut of the share. The ICE information suggests that Cameroonians recruit their domestic counterparts. It is unclear whether these domestic scammers or the Cameroonians themselves create the listings and communicate with consumers.

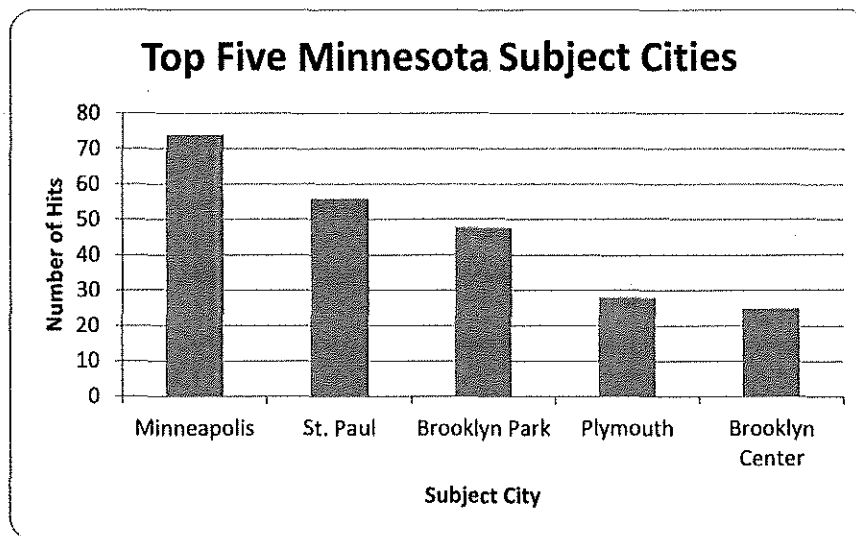
²⁴ Englewood, Colorado, appears because of Western Union's mechanism for reporting complaints to Sentinel and is discussed in more detail below in Section II B.



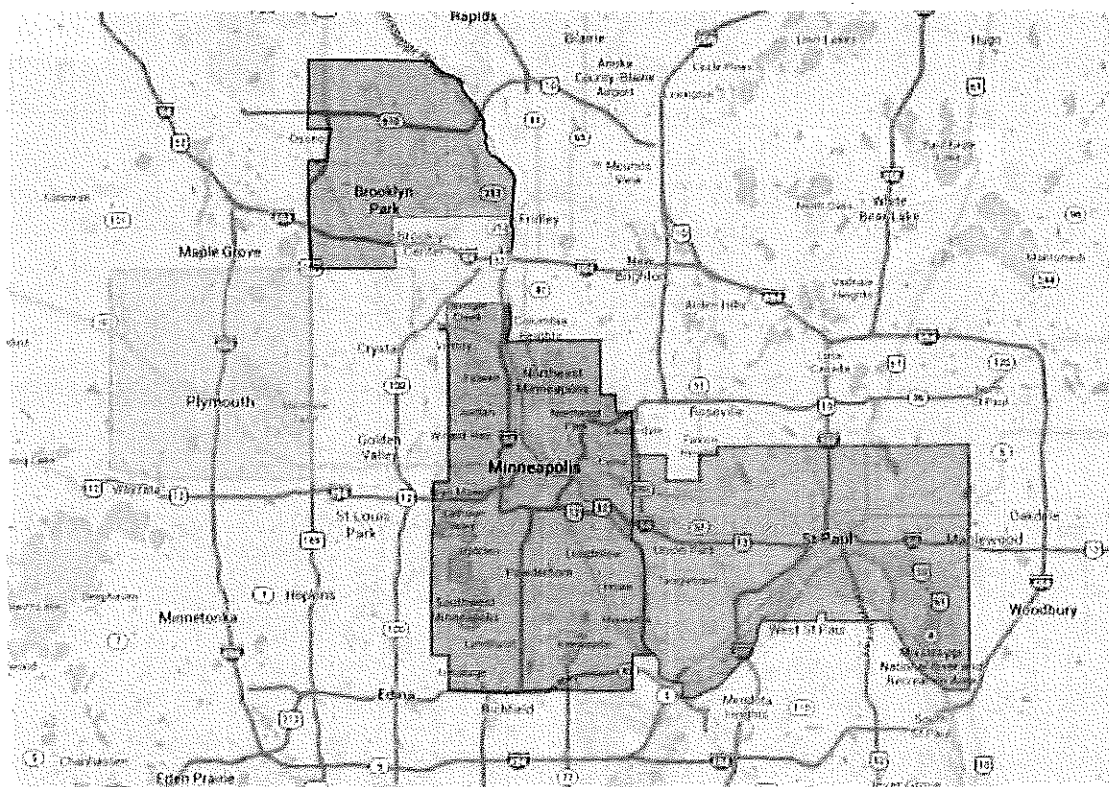
II. Domestic Focal Points and Their Recent Patterns/Trends

A. Minnesota

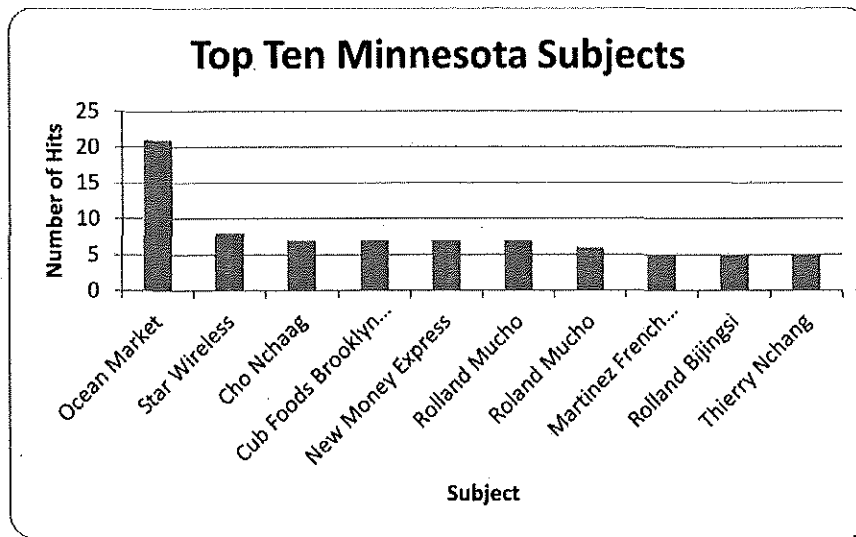
A Sentinel search limited to March 2012 through July 2014 for subjects located within Minnesota returned about 350 hits for pupp*. Nearly two-thirds of the subjects of these hits are concentrated in five Minnesota cities, as depicted below.



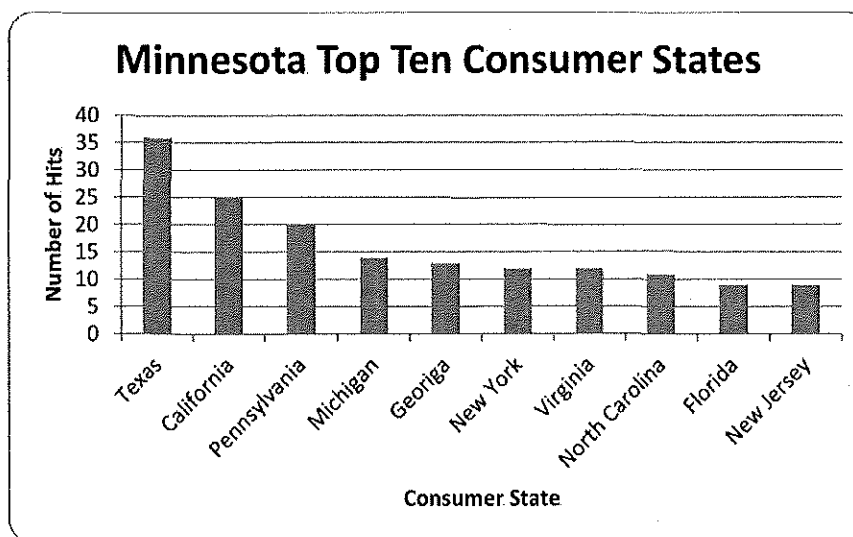
As shown by the map below, these five cities are all a part of the greater Minneapolis-St. Paul area, raising the possibility that these complaints may relate to one cell of scammers. The map below depicts these five cities.



Zooming in further, the leading named subjects in Minnesota are stores that provide money transfer services and named individuals who appear to use variations of their given and family names.

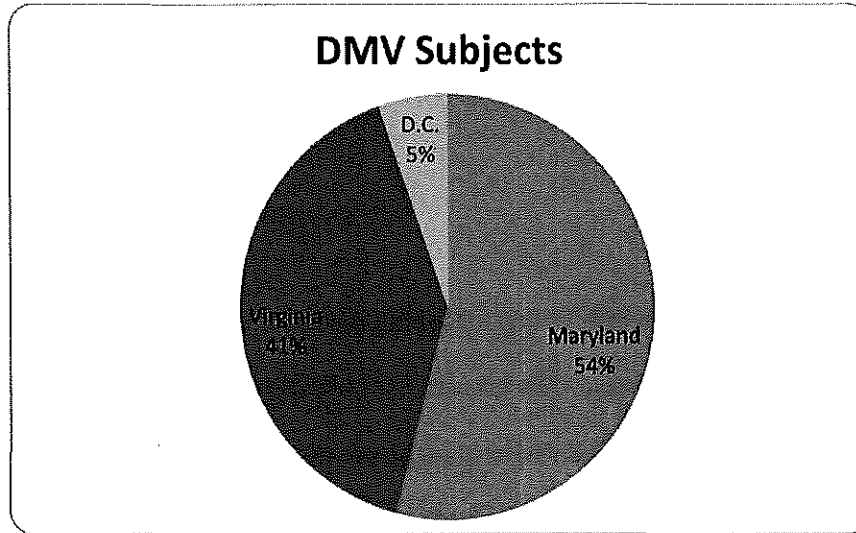


The data for consumers defrauded by Minnesota subjects suggests that **the Minnesota cell has national reach**. The graph below largely depicts that overall national trend – the more populous states have more defrauded consumers; however, the data also suggests that the fraudsters avoid geographically close states with large populations (in this case, fraudsters in Minnesota avoiding consumers in Illinois), perhaps to limit the number of consumers who would offer to directly pick up the puppy. In this same vein, Minnesota is not among the top locations for consumers defrauded by puppy scammers located in Minnesota.

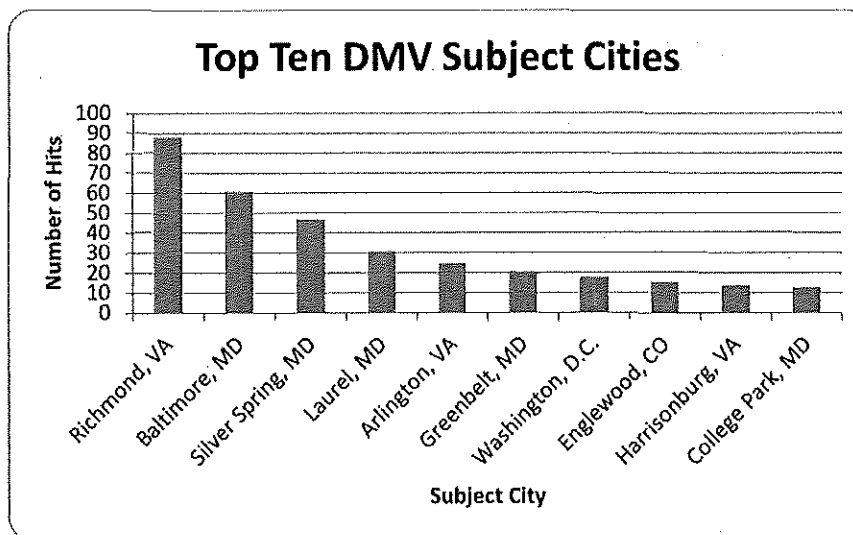


B. Washington, D.C., Maryland, and Virginia ("DMV")

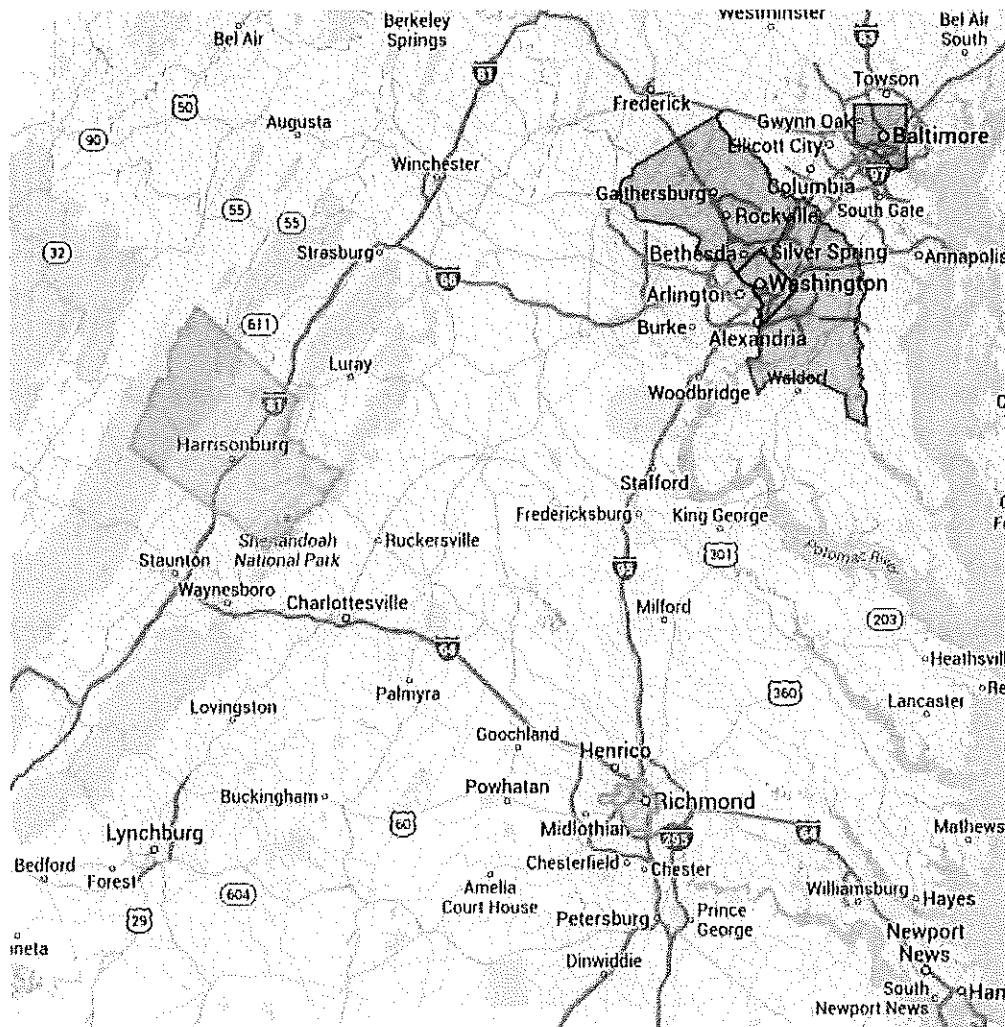
Since March 2012, 550 consumers have complained about puppy scammers located in the DMV area. The vast majority of these complaints relate to scammers in Maryland and Virginia, as shown below.



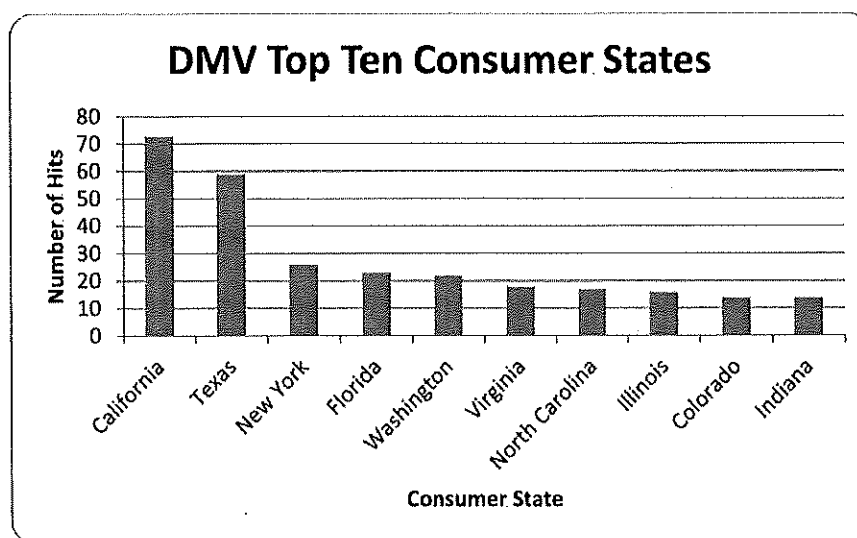
Generally, these complaints are clustered around the major metropolitan areas in this region, as the scammers primarily are located in or around Richmond, Baltimore, and Washington, D.C.



There are two notable exceptions to this trend. First, one of the top ten DMV subject cities, Englewood, Colorado, is not in the DMV.²⁵ Fifteen of these sixteen Englewood complaints, however, are associated with a Maryland address. These Englewood complaints are likely due to how Western Union uploads complaints into Sentinel, which often use Western Union's headquarters, Englewood, Colorado, as the default location. Thus, the Englewood association is likely not specifically related to the puppy scam. Second, as shown by the map below, is a group of fourteen complaints about scammers in Harrisonburg, Virginia, a relatively remote area.



²⁵ Sentinel includes any report that has at least one city in DMV, and because some reports have multiple subjects, Sentinel returns results for additional subject cities, such as Englewood, Colorado.



The available Sentinel data does not clearly suggest whether DMV subjects are acting in tandem or independently.

III. Additional Areas of Interest

A. Wire-Transfer Methods, including Reloadit²⁶

Generally, puppy fraudsters require consumers to send payment through a wire-transfer service or some equivalent. The following table shows the number of puppy-related complaints since March 2012 containing the listed terms.

March 2012 to July 2014 Sentinel Search Results (conducted July 23, 2014)	
Term	Results
"western union"	4,215
"moneygram" ("money gram")	1,573 (729)
"green dot"	20

While traditional money-transfer services are most commonly linked to puppy scam complaints, that trend has recently been changing. Over the last six months, more than 100 Sentinel complaints have made mention of Reloadit. Reloadit is a money transfer service that partners with different companies (e.g., T-Mobile) to allow consumers to pay bills or quickly

²⁶ All information discussed below, unless otherwise cited, is from Reloadit's publicly accessible website, located at <https://www.reloadit.com> and last visited on July 17, 2014.

move money. Consumers purchase Reloadit cards at various retailers across the country. Reloadit requires that the consumer use cash to purchase and “load” the card. According to Reloadit’s website, consumers can only add up to \$950 per card.

For the puppy scam, sellers request or require that consumers purchase a Reloadit card.²⁷ After doing so, the consumer sends the card’s code to either the seller or the shipper, which in turn allows the fraudster to obtain the money off the card.²⁸ Once the money has been transferred off the card, Reloadit can do nothing to address the consumer’s complaint.

B. uShip²⁹

One new recent trend involves scammers suggesting an affiliation with uShip, a legitimate company.³⁰ uShip, Inc., a Delaware company, was incorporated in 2003. Headquartered in Austin, Texas, for its American operations and Amsterdam, Netherlands, for its foreign operations, the company operates as an online marketplace for customers in need of shipping services; these customers create listings for whatever they need to ship and interested shippers proceed to bid on the listings. The customer then selects one of the bids and uShip facilitates the exchange of direct contact information between the two parties. uShip’s main page lists various goods that the company will permit postings for, including: household and business goods, vehicles, freight, food, pets, and people.

uShip has many partners, including Oodle (a classified listing service mentioned above that many of the scammers use to list puppies). uShip is aware of the usage of their name by

²⁷ See, e.g., SR #54624175.

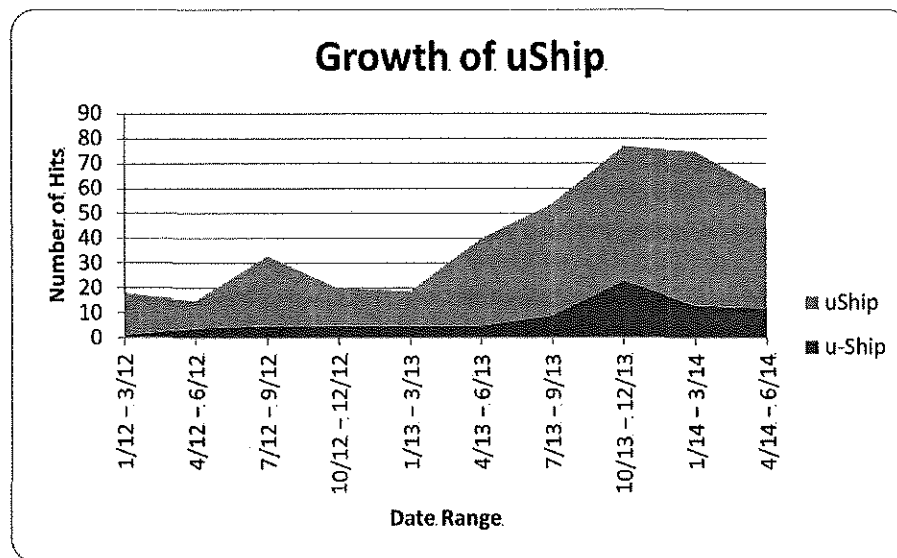
²⁸ See, e.g., SR #53982931, SR #52421260, and SR #53367612.

²⁹ All information discussed below, unless otherwise cited, is from uShip’s publicly accessible website, located at <http://www.uship.com> and last visited on July 15, 2014.

³⁰ As of July 2014, uShip has an A+ rating with the Better Business Bureau (“BBB”); uShip has been BBB accredited since August 2005. Better Business Bureau, <http://www.bbb.org/central-texas/business-reviews/internet-services/uship-inc-in-austin-tx-90006779/> (last visited July 15, 2014).

scammers through defrauded consumers directly contacting them.³¹ A brief conversation with a uShip Community, Trust & Safety representative revealed that uShip too suspects a Cameroonian connection based on consumer complaints detailing that funds were wired to Cameroon. Further, in late June 2014 uShip partially addressed the scam when they posted on their blog an entry titled “The Do’s and Don’ts of Buying Pets Online.”³² The posting, however, does not provide much substance and arguably reads more as an ad for the company.

Since 2012, fraudulent sellers have increasingly made mention of uShip when communicating with consumers.³³ Consumers link the purported shipper to uShip either by the shipper directly mentioning his or her affiliation with the company³⁴ or the shipper using an e-mail address that implies such an affiliation.³⁵ As depicted below, puppy scam complaints have, on the whole, increasingly mentioned uShip.³⁶



³¹ See, e.g., SR #49054800.

³² uShip, <http://blog.uship.com/pets/the-dos-and-donts-of-buying-pets-online/> (last visited July 15, 2014).

³³ See, e.g., SR #54626980.

³⁴ See, e.g., SR #54336011.

³⁵ See, e.g., SR #54623956, consumer reporting an e-mail address of uship@workmail.com.

³⁶ The rise of uShip’s name in the scam may be due to the A&E television show *Shipping Wars*. The show premiered in January 2012 and is currently in its sixth season. *Shipping Wars* follows different shippers as they compete against each other for shipping jobs listed on uShip.

IV. Possible Solutions and Strategies

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